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# Recommended Actions for U.S. Policy on Iran

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## Engaging Iran

### **1** Clarify through words and action that the U.S. administration's strategy is not regime change but a "big for big" trade and reinforce the benefits to Iran of reaching a deal.

- Send clear and credible signals to Iran that the United States will not seek to topple the regime if U.S. concerns are addressed.
- Offer clear and proportional positive incentives to Iran to change its policies.
- Make clear that Iran's refusal to come to the table will result in more economic pressure.
- Look for opportunities to advance U.S. objectives short of a full deal focusing on concrete outcomes.

### **2** Keep communications channels with Iran open while pursuing the goal of high-level talks.

- Establish a communication channel to address ad hoc issues and to de-escalate when needed.
- If Iran remains unwilling to engage bilaterally, use alternate parties to establish communications.
- Leverage President Trump's cordial relationship with Russian President Putin to communicate with Iran's leadership.

## **Constraining Iran's Nuclear and Missile Programs**

- 3** **Foster an environment where Iran continues to adhere to the nuclear restrictions and transparency measures in the JCPOA.**
  - Avoid actions that would stymie European, Chinese, and Russian efforts that encourage Iran to abide by its nuclear commitments in the JCPOA.
  - Consider limited steps to enable Iranian access to the financial system if doing so could dissuade Iran from ramping up its nuclear program.
  - Work with allies to track Iran's compliance with the deal; share intelligence and enable European partners to resolve disputes through JCPOA mechanisms.
- 4** **Develop a set of calibrated options to deter those Iranian nuclear activities that matter most and begin laying the groundwork for a realistic long-term solution to the Iranian nuclear challenge.**
  - Resist responding to minor Iranian nuclear developments with vague threats of punishment.
  - Develop a playbook of diplomatic, economic, and military options to dissuade Iran from resuming the most problematic activities, including actions that could quickly or significantly reduce breakout timelines, efforts to reduce IAEA access, or the development of new capabilities that could improve pathways to weapons production—such as a plutonium reprocessing capability.
  - Prioritize monitoring and verification over lengthening breakout timelines.
- 5** **Seek realistic limitations on Iran's missile program and strengthen counterproliferation efforts.**
  - Secure a formal commitment from Iran to adhere to its self-imposed missile limits of 2,000 km.
  - Sanction private Iranian companies tied to missile or proliferation activities to expose logistical networks and signal risk to partnering with Iran's military.
  - Improve guidance and policy on countering proliferation financing, and better link trade control regimes with banks and money service businesses.
  - Plan for the eventual end of UN restrictions on Iran's missile program, procurement, and proliferation codified in UNSCR 2231, and develop a new framework to contain these threats.

## **Effectively Using Financial Measures to Increase Pressure on Iran**

- 6** **Use sanctions policy, and other tools, to maximize pressure by highlighting Iran's non-nuclear illicit activities.**

- Focus on targeting IRGC-linked entities and Hezbollah, exposing illicit activities and corruption in large Iranian institutions, and highlighting sanctions evasion by Iran in the maritime domain.
- Clarify enforcement posture by offering written guidance and identifying paths for sanctions removal for violators.

## **7 Mitigate the negative effects of unilateral sanctions on the U.S. economy and preserve the foundation for effective sanctions on Iran over the long term.**

- Do not adopt a maximalist enforcement posture with regard to financial payment messaging services that designated Iranian banks may use to access the international financial system.
- Consider working with foreign jurisdictions that continue permitted business with Iran, such as oil purchases via a significant reduction exemption, to develop special purpose bank accounts for allowed business that would be subject to enhanced due diligence.
- Facilitate a payment channel for food and medicine to Iran.
- Pursue re-imposition of sanctions on Iran, mindful of the need to keep the oil market balanced in the present tight conditions.

## **Countering Iran's Destabilizing Influence in the Middle East**

### **8 Work more closely with Arab partners to counter Iranian irregular warfare.**

- Model efforts to counter Iranian irregular warfare on U.S. response to ISIS—a strategy based on working “by, with, and through” partners.
- Establish a center in the Middle East with key partners to improve joint capabilities and develop strategies to counter Iran's irregular warfare capabilities, including a joint campaign plan.
- Establish joint training missions and exercises, an intelligence fusion center, and system to continually refine training to stay ahead of Iran's capabilities.

### **9 In Syria, manage the withdrawal of U.S. forces in such a way that prioritizes preventing a reemergence of ISIS, but also tries to limit Iranian gains to the extent possible.**

- Support a diplomatic arrangement between Russia, Iran, Turkey, Assad, and the Syrian Democratic Forces (SDF) that prevents a new conflict in the eastern part of Syria.
- Apply diplomatic pressure on Turkey not to invade SDF territory in northeastern Syria, and instead support a negotiated deal that brings the Kurdish areas of northern Syria back under Assad control.

- Provide diplomatic support for Israel's continued strikes against Iranian targets in Syria.
- Use the specter of a potential Israeli-Iranian war in Syria to motivate the Russians to restrain Iranian gains in eastern Syria.
- Withdraw last from the strategic areas of al-Tanf and the Middle Euphrates Valley, which are high priorities for Iran.

## **10 Pursue a patient strategy in Lebanon to slowly undercut Hezbollah's influence by building up viable alternatives.**

- Work with Arab partners to identify and empower local Lebanese actors that can act as a viable alternative to Hezbollah.
- Continue to build the capabilities and professionalism of the Lebanese Army, and remain engaged in projects that improve the socioeconomic well-being of the Lebanese.
- Increase funding to branches of the Lebanese government that monitor and evaluate their programs, institute measures to combat corruption, and which can demonstrate that they are independent of Hezbollah's political control.
- Carry out targeted sanctions against Hezbollah and certain key allies that support the Assad government or Hezbollah's activities.

## **11 Demonstrate a clear, long-term commitment to Iraq.**

- Communicate in public and in private that a strong and long-term relationship with Iraq is in the U.S. strategic interest.
- Announce a multi-year package of support for humanitarian assistance and economic development,
- Maintain the long-term American military advisory mission to support the Iraqi security forces.
- Mobilize the Gulf States to fulfill their commitments to expand humanitarian assistance and economic development projects in Iraq.

## **12 Offer the Saudis a clear choice in Yemen: Greater U.S. involvement in exchange for a fundamental shift in how the war is conducted or an end to American support.**

- Offer Saudi continued U.S. support only if Riyadh changes their approach, brings the United States into the decision-making process, and implements American recommendations to shift to a more viable strategy that mitigates the worst humanitarian impacts.
- If Riyadh agrees, take over some of the strikes and potentially put in more advisors to help with targeting on the ground.
- If Riyadh does not agree, pull U.S. support.

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